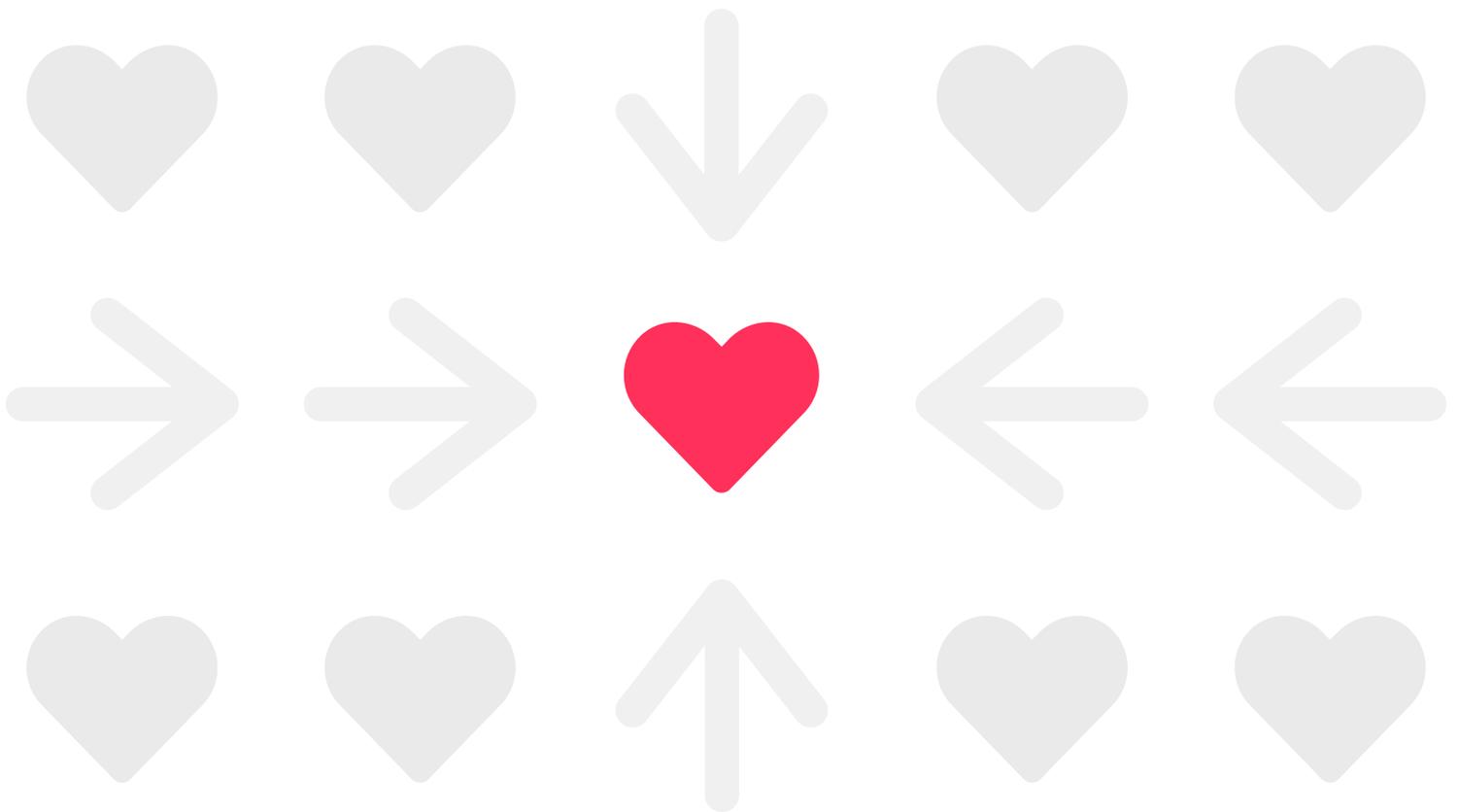




From Casual App Users to Brand Advocates

Creating loyal fans through social features





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Overview

Today's most successful brands and products have their loyal fans to thank for.

These companies create platforms and user experiences that turn simple customer-brand interactions into long-lasting relationships that yield positive results for any company.

However, turning your app users into your brand advocates can be a challenge. As with anything, building a relationship with your current customers takes time, patience, and strategies to help keep them coming back to your app. You need to engage and then retain them with the right features to ensure app loyalty.

With today's competitive app market, how do you make sure that your users keep your app on their devices, and maybe share it with their network, too?

In this report, we will:

- **Learn** how brand advocates can be game-changers for your app
- **Discover** how integrating social features can help you create brand advocates
- **Understand** the importance of measuring your success with the right metrics

Let's start building brand loyalty right now!

About Us



Amity is a leading enabler of social experiences. Amity's mission is to make social experiences more accessible by providing scalable solutions to allow companies to integrate social functions into applications and digital channels.

Amity Social Cloud, the business's flagship product, offers plug-and-play social features to help unlock the power of social experiences. Once integrated, these features can drive engagement, increase retention, build communities, and grow revenue.



Learn how brand advocates can be game-changers for your app

Who are brand advocates?

Brand advocates, as defined by the Social Media Examiner, are “any customer who has been officially commissioned to speak on behalf of your brand without compensation.”¹

They are not just your average customers — they engage with your brand on a deeper level. Brand advocates believe in what you do. That’s why they genuinely use your product and promote you in various ways, including social media and word of mouth. They proactively share about your company and your product to their network because they understand the value you give to them.

Why do you need brand advocates?

¹ Mershon, P. (2019, January 20). 9 Reasons Your Company Should Use Brand Advocates: New Research. Social Media Examiner | Social Media Marketing. <https://www.socialmediaexaminer.com/9-reasons-your-company-should-use-brand-advocates-new-research/>

01 —

Brand advocates drive revenue growth

As brand advocates believe in you and your products, they'll probably buy whatever it is that you're selling! What sets brand advocates apart from casual users is that there is a low possibility that they will think twice about what you are offering.

Having loyal customers is even more crucial as the cost of attracting new customers outweighs the cost of keeping your current customers satisfied and engaged. And that's good for your brand.

According to Bain & Company, a 5% increase in customer retention produces more than a 25% increase in profit;² it's clear to see that brand advocates are drivers of your revenue growth.

5% increase in customer retention produces more than a 25% increase in profit;

² Reichheld, F. (2001). Prescription for cutting costs. https://media.bain.com/Images/BB_Prescription_cutting_costs.pdf

Digital marketing community ClickZ also said that the probability of selling to an existing customer is 60-70%³, as compared to 5-20% to a new customer. It's because loyal customers will never forget your brand and the products they love – you always stay on top of their minds.

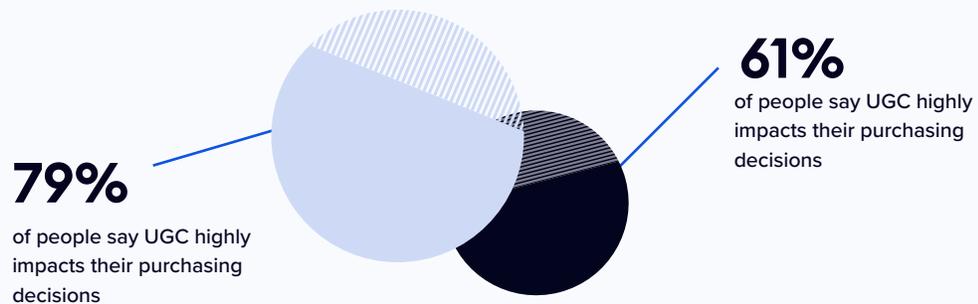
02 – They also attract new users

Reviews are crucial to attracting new users as people rely on other customers' feedback to make their decisions. Spiegel Research Center found out in their survey that 95% of shoppers read online reviews before making a purchase.⁴ That's why brand advocates who openly speak about you and your product are the key to raising awareness and promoting your brand through different channels.

³ Charlton, G. (2016, September). Are ecommerce customer retention strategies improving? ClickZ; ClickZ. <https://www.clickz.com/are-ecommerce-customer-retention-strategies-improving/105454/>

⁴ How Online Reviews Influence Sales - The Medill IMC Spiegel Research Center. (2017). Northwestern.edu. <https://spiegel.medill.northwestern.edu/online-reviews/>

User-generated content (UGC) is one way your brand advocates can help you attract new users. For instance, their online reviews are crucial factors in attracting new customers. A survey from Stackla found that 79% of people say UGC highly impacts their purchasing decisions.⁵ Meanwhile, TurnTo found 61% of customers reported that UGC encourages them to engage with brands.⁶



Having authentic UGC from your brand advocates alleviates skepticism, distrust, and suspicion from new users; that's why having loyal fans is a crucial win for your brand.

⁵ [New Report] Consumer & Marketing Perspectives on Content in the Digital Age. (2019, February 20). Stackla. <https://stackla.com/resources/reports/bridging-the-gap-consumer-marketing-perspectives-on-content-in-the-digital-age/>

⁶ 2017 TurnTo Consumer Study: UGC and the Commerce Experience | TurnTo Networks. (2017). Turntonetworks.com. <http://www2.turntonetworks.com/2017consumerstudy>

03 —

They help improve your product, too

Another significant advantage of having brand advocates is their willingness to get involved in the product development process. Aspire IQ found that customers crave a two-way connection with the brands they like, and 42% of customers they surveyed want to contribute feedback to a product or service⁷.

Because they invested with your app, brand advocates are the most informed and eager to share feedback on your app and their user experience. Using their feedback to improve your product is extremely valuable, as you have direct access to the customer's mind, needs, expectations, and behavior. It also gives you all the elements to improve your product and increase customer satisfaction.

⁷ Deconstructing the consumer engagement gap. (2020). Aspireiq.com. <https://discover.aspireiq.com/deconstructing-engagement/>

Brand advocates can drive your growth, improve your current product, and help you attract new customers through reviews and influence.

Brand advocates have all the characteristics of the ideal customer. That's why you need them for your app to succeed. They can drive your growth through repeat purchases, improve your current product, and at the same time, help you attract new customers through their glowing reviews and influence.

Discover how integrating social features can help you create brand advocates

We all know that building a stable app with a smooth user interface is only a fraction of what's required to create outstanding customer experiences. To create brand advocates, you have to go the extra mile and make sure that you connect with your users and at the same time, allow them to express themselves and find a sense of belonging among other users

Social media applications are good examples of how brands ensure they stay connected with their customers. They enable users to connect and showcase expertise, as well as, let brands connect with their customers efficiently.

How do you then translate this to your app?

If you already have an app and want to make sure that your users keep coming back to your platform, adding social features from today's most successful social platforms might be an untapped solution to help reach your app's full potential.

Three ways adding social features can help reach your app's full potential

01 —

Improve customer service

Customers don't want to waste their time. They want instantaneous results to their queries and put high regard on companies that provide an immediate response to their concerns and provide convenience.

That's why fast customer service comes as an essential part of building trust with customers and a crucial factor in turning users into advocates. Adding solutions such as **live chats** and **chatbots** to your app is can be game-changers and the best way to improve your customer service.

92%

of customers are satisfied with live chat

80%

of chatbots can answer standard questions

According to a report published by Helpshift, 83% of consumers said they'd make messaging their primary means of contacting customer support if they could be guaranteed immediate response.⁸ Zendesk reports that live chat has the highest consumer satisfaction rate at 92%.⁹ Those solutions have gained popularity, with time efficiency being the main contributing factor.

Meanwhile, using chatbots ensures 24/7 customer support and can cut up to 30% in customer support costs, with 80% of chatbots can answer standard questions, enabling companies to allocate trained human live agents for more complex inquiries and provide better service¹⁰.

And with these strategies, there's no doubt that customers will feel strongly attached to your app, making them more likely to come back for more and speak highly of it to their circles.

⁸ State of Customer Service Automation 2019 Insights and trends based on analysis of 75 million customer service tickets and 71 million bot interactions. (n.d.). https://go.helpshift.com/rs/113-UDX-599/images/Report_State_of_CS_Automation.pdf

⁹ Zendesk Benchmark: Live Chat Drives Highest Customer Satisfaction - Zendesk. (2015). Zendesk. <https://www.zendesk.com/company/press/zendesk-benchmark-live-chat-drives-highest-customer-satisfaction/>

¹⁰ Maruti Techlabs. (2017, April 21). Can Chatbots Help Reduce Customer Service Costs by 30%? Medium; Chatbots Magazine. <https://chatbotsmagazine.com/how-with-the-help-of-chatbots-customer-service-costs-could-be-reduced-up-to-30-b9266a369945>



“Community building has become more important with the rise of customer success goals and metrics [...] it’s not only important to reach audiences and drive them down the funnel, but to be able to develop an engaged community and fuel customer lifetime value.”

— Robb Hecht, Adjunct Professor of Marketing at the New-York-based Baruch College

02 — Build in-app community

A strong community following can help drive in-app user engagement. Aside from providing a way for users to connect with others, it can also be an effective way to share UGC to build brand awareness and trust, especially with your new users.

Think of your current community inside your app as your brand ambassadors. Through the in-app **groups** where they discuss their passions to their profiles where they showcase their expertise and experience, brand advocates can help create a more engaging in-app environment using the knowledge they can provide your users.

Further, many brands are also utilizing their in-app communities to test their products. And users like to be involved in product development. It makes them feel that they impact your app's success with their valuable feedback and data to help shape your product.



2.7 more users

are likely to stay in-app for a sense of community and belonging

And with this positive experience, you can ultimately create an engaging in-app community among your users. According to Facebook, 2.7 more users are more likely to stay in-app for a sense of community and belonging.¹¹ It only shows the power of having in-app communities with solid and knowledgeable brand advocates that can play a vital role in retaining app users.

¹¹ Game On: Five Global Mobile Gaming Trends. (2018). Facebook IQ. <https://www.facebook.com/business/news/insights/game-on-five-global-mobile-gaming-trends>

03 —

Create personalized experiences

Nothing beats providing personalized experiences if you want users to stay loyal to you and your app. Segment reports that personalization leads to repeat business, with 44% of surveyed consumers saying they would be likely to purchase again in the future.¹²

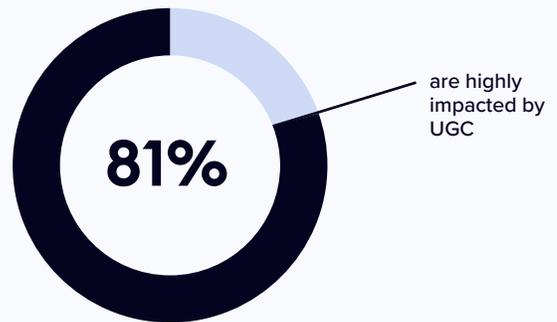
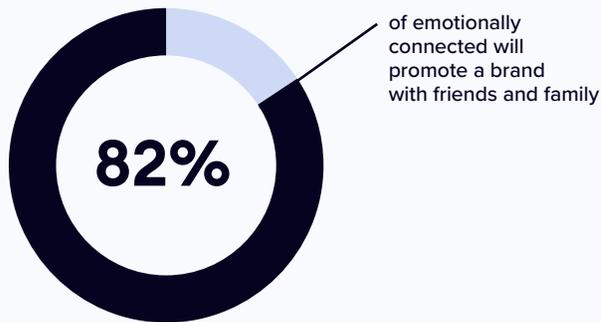
And of course, who doesn't want to share good, personalized experiences with their network? CapGemini found that 82% of emotionally-connected customers will also promote a brand among their family and friends.¹³ Meanwhile, Hubspot found that 81% of customers trust recommendations from family and friends.¹⁴

¹² Segment. (2017, October 25). Segment Survey Finds Consumers Will Spend More When Their Shopping Experience is Personalized, but Most Retailers are Missing the Mark. GlobeNewswire News Room; Segment. <https://www.globenewswire.com/news-release/2017/10/25/1300518/0/en/Segment-Survey-Finds-Consumers-Will-Spend-More-When-Their-Shopping-Experience-is-Personalized-but-Most-Retailers-are-Missing-the-Mark.html>

¹³ Loyalty Deciphered: How Emotions Drive Genuine Engagement. (2017, December 5). Capgemini Worldwide. <https://www.capgemini.com/resources/loyalty-deciphered/>

¹⁴ Redbord, M. (2018). The Hard Truth About Acquisition Costs (and How Your Customers Can Save You). Hubspot.com. <https://blog.hubspot.com/service/customer-acquisition-study>

You can implement personalization through tailored in-app notification, an invitation to private groups with exclusive content and offers, and preference-based news feeds where they can find information tailored to their needs and preferences as a way to improve customer experience.



Easily integrate social features with Amity

Developing such features requires numerous resources — a skilled team of developers and a considerable amount of time and money to make this app up and running on the market.

Amity can help you achieve that. **Amity Social Cloud**, the company's flagship product, is a suite of powerful plug-and-play social features designed specifically for companies looking to upgrade their current app and drive better engagement without the hassle of software development.

The four modules combine the essentials of today's top social platforms. They include features such as chats, feeds, groups, and videos to deliver the best social experience to the end-users. Each module is scalable, customizable, and easy-to-integrate, so they can easily suit your needs.

Discover Amity Social Cloud

Sephora



The way we think about loyalty is that our clients are the core of everything we do. We are driven by what our customers love and want more of.

— Allegra Stanley,
Sephora's vice president and
general manager of loyalty¹⁵

It all started back in 2010 with the launch of *Beauty Talk*, where Sephora created topic-based groups for users to ask questions, share feedback, and get best practices from other beauty enthusiasts.

With millions of users' posts and replies, threaded stories about confidence, self-image, and personal experiences, Sephora created a highly-effective way to engage with the products and the community.

Sephora decided to move further into community building and brand advocacy and launch an app entirely dedicated to it from this successful idea.

¹⁵ Danziger, P. N. (2020, January 23). How To Make A Great Loyalty Program Even Better? Sephora Has The Answer. Forbes. <https://www.forbes.com/sites/pamdanziger/2020/01/23/how-to-make-a-great-retail-loyalty-program-even-better-sephora-has-the-answer/?sh=5fa7b714287a>

The app, ***Beauty Insider***, provided a way for users to continue communicating with one another, experts, and the brands they love. It also provided them with a way to incentivize their most loyal customers through exclusive discounts and perks and allowed them to share their experiences with their family and friends.

It delivers a more holistic and dynamic approach to beauty. It is thoughtful and intuitive to address the user's questions no matter where they are on their customer journey comfortably.

Multiple channels such as groups, conversations, and other features boost in-app community spirit and contribute to creating a safe space where people support each other with personal stories and tips. Finally, it is curated for each user, making the experience even more authentic and increasing monetization opportunities.

Read more:

What can we learn from these top branded communities?

CHAPTER 3

Measure your success with the right metrics

To ensure you are devoting your marketing and development spend on the experiences and the users that bring you the highest return, it is crucial that you continuously track the effectiveness of these features to make sure they matter to your users.

You can do so by tracking the numbers based on the metrics depending on the stage of your customer funnel.

01 —

The number of downloads



This metric is the first step in tracking an app's success. Knowing how this metric evolves gives you an insight into how effective your marketing campaigns are and can highlight some areas of improvement (e.g., app store listing, optimization).

02 —

Activation rate



But it doesn't just end with downloads. You can also look into the activation rate for more accurate data. The activation rate measures the percentage of people who downloaded and opened your app.

03 —

Average visit time



It gives you an insight into the time they spent on your app, providing a look into the overall user experience and engagement. If the length of their visit is low, you may want to have a look at your features and design and ask for user feedback to improve your app engagement.

04 —

Active users



Once you know the number of your app downloads and who started using your app, you now need to find out the number of users who actually use it regularly. Those active users can be segmented: Daily Active Users (DAU) and Monthly Active Users (MAU).

DAU refers to the users who visit your app at least once per day. These data reflect your most active and engaged users, those who consider your app an essential part of their daily routine.

MAU are the ones who initiate a session into your app at least once a month.

By combining both DAU and MAU, you can track your app's potential to captivate users, which brings us to the next point.

05 —

App stickiness



To give you an idea of how many of your users are active daily vs. those who only use it now and then, or just monthly, you can measure this using app stickiness.

$$\text{Stickiness} = \frac{\text{Daily Active Users}}{\text{Monthly Active Users}} \times 100$$

06 —

User retention



A crucial metric to any brand with an app, it tells you how many people are returning to your app. There are a few ways to measure user retention, the most valuable being the percentage of users returning to your app in a period of time – daily, weekly, monthly.

Did you know?

Upland software says an average of 43% of users return to an app at least once within one month of downloading it before it drops to 34% in the second month and 29% in the third month.¹⁶

¹⁶ Mobile App Retention Rate - Whats a Good Rate & 8 Strategies. (2020). Localytics. <https://uplandsoftware.com/localytics/resources/blog/mobile-apps-whats-a-good-retention-rate/>

07 —

Churn rate



The percentage of users who stop using your app is directly related to the retention rate. What could be the possible reasons for a high churn rate? It could be because of your unstable app environment, due to bugs, crashes, and terrible user experience and onboarding.

Another reason is that maybe you don't have the right target users and, therefore, need to look into your acquisition strategy. Looking into these factors can highly affect your churn rate and address the issue and reasons why your app is losing users.

Did you know?

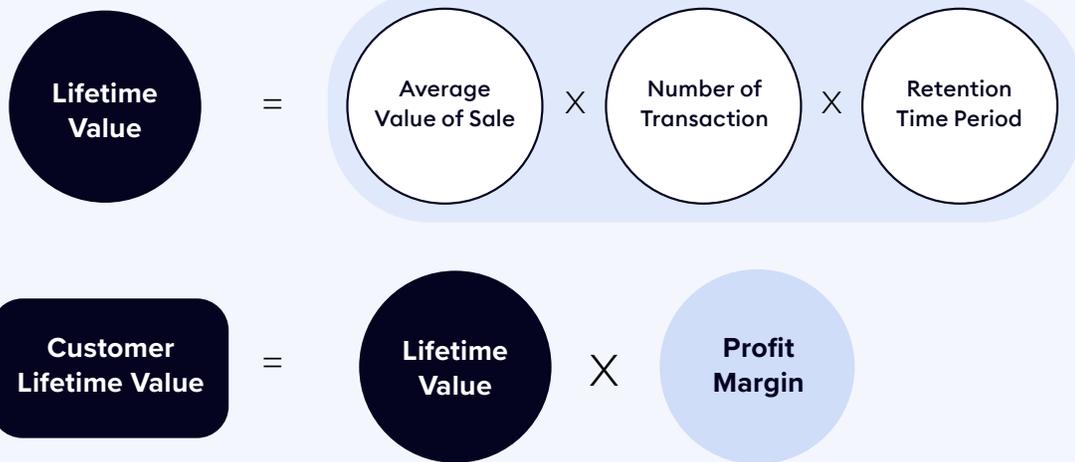
Localytics says that 57% of users churn in the first month and 71% by the third month.¹⁷

¹⁷ Mobile App Retention Rate - Whats a Good Rate & 8 Strategies. (2020). Localytics. <https://uplandsoftware.com/localytics/resources/blog/mobile-apps-whats-a-good-retention-rate/>

08 — Lifetime value



LTV highlights the total revenue you make from an active user. It tells you the worth of each new user, how much to spend on customer acquisition, and how long you should retain a user to generate profit. On the other hand, customer lifetime value (CLTV) indicates your marketing strategy's success (or failure), providing a forecast of your growth. Here's how to calculate the LTV and CLTV:



With all these metrics under your belt, you now have various ways to measure your app's performance to gain a deeper understanding of your users, the effectiveness of your in-app engagement strategy, and what drives your app's growth.

These metrics provide in-depth knowledge of your app and users to address any potential flaws to build an effective action plan and change your existing tactics to delight your customers and turn them from casual users to brand advocates.



Conclusion

Behind every great brand or product are loyal brand advocates who help propel them to their success.

Brand advocates are the ones that help drive revenue and growth, attract new users to utilize your app, and provide the necessary feedback to elevate your products. However, with these benefits in mind, companies still fail to recognize the impact brand advocates make on their products.

We think it's time to change that.

Fostering brand advocates should be a priority for your app. And to do so, you should take this opportunity to start providing them a better in-app experience, starting with integrating social features into your app.

From seamless onboarding to functionalities that promote open communication, community-building, and personalization, integrating social features can surely help cultivate meaningful brand-customer relationships that will yield positive results for your app.

And once you have those social features in place, remember to utilize the right metrics to help you constantly improve your users' in-app experience.

***It's not enough that you launch your app;
it's how you continue to provide the best user
experience to build meaningful relationships with
your customers that will last a lifetime.***



Ready to unlock the power of social experiences with Amity?

Our mission is to make social experiences more accessible by providing scalable solutions to allow companies to integrate social functions into applications and digital channels - without the hassle of software development. Our software development kits (SDKs) enable endless customizations and an upgradable UI, making it easy to add social features to your app.

Join successful companies like Unilever, True Corporation, and AirAsia and experience how Amity can drive better user engagement, increase user retention, build a vibrant branded community, and generate new revenue streams for your app.

If you would like to learn more about how Amity can help you achieve better results, please **get in touch** with our team today.

Our Clients

airasia



true